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BEFORE THE ARIZONA CORPORATION COMMISSION
AZ CORP COMMISSION
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MARC SPITZER
Chairman

JIM IRVIN
Commissioner

WILLIAM A. MUNDELL
Commissioner

MIKE GLEASON
Commissioner

JEFF HATCH-MILLER
Commissioner

Arizona Corporation Commission

DOCKETED

JUN - 5 2003

DOCKETED BY *CAH*

IN THE MATTER OF QWEST
COMMUNICATIONS INTERNATIONAL
INC.'S, QWEST SERVICES
CORPORATION'S, AND QWEST
CORPORATION'S NOTICE OF SALE,
REQUEST FOR WAIVER, OR
APPLICATION FOR APPROVAL OF THE
SALE OF THE ARIZONA OPERATIONS OF
QWEST DEX, INC.

Docket No. T-01051B-02-0666

STIPULATION FOR ADMISSION
OF CERTAIN EXHIBITS

WorldCom, Inc., on behalf of its regulated subsidiaries ("MCI"), Qwest
Corporation ("Qwest"), and Dex Holdings, LLC stipulate to the admission into the record
in this proceeding of the following responses to data requests made by Qwest:

STF 01-012

STF 01-013

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- STF 01-014
- STF 01-033
- STF 01-040
- STF 01-045
- STF 01-053
- STF 02-102S1
- STF 02-103
- STF 02-123S1

Copies of those responses are attached as Exhibit A to this Stipulation.

DATED this 5th day of June, 2003.

LEWIS AND ROCA

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ROSKA HEYMAN & DEWULF

By: Michael W. Patten
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Attorneys for Dex Holdings, LLC.

ORIGINAL AND thirteen (13) copies
of the foregoing hand-delivered
this 5th day of June, 2003, to:

Arizona Corporation Commission
Utilities Division – Docket Control
1200 W. Washington Street
Phoenix, Arizona 85007

COPY of the foregoing hand-delivered
this 5th day of June, 2003,
to:

Jane Rodda, Administrative Law Judge
Hearing Division
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Christopher Kempley, Esq.
Chief Counsel, Legal Division
Arizona Corporation Commission
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Phoenix, Arizona 85007

Ernest Johnson
Director, Utilities Division
Arizona Corporation Commission
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LEWIS
AND
ROCA
LLP
LAWYERS

1 COPY of the foregoing mailed this
2 5th day of June, 2003, to:

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Jayne Williams

EXHIBIT A

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Arizona
T-01051B-02-0666
STF 01-012

INTERVENOR: Arizona Corporation Commission Staff
REQUEST NO: 012

Regarding agreements between Qwest Dex and Qwest Corporation (and/or Qwest Services) that are related to the white and yellow pages, will any of the terms of the current agreements change or be replaced immediately as a result of the sale of the assets? If so, identify and describe those provisions of existing agreements that will change immediately.

RESPONSE:

Qwest objects to this data request on the basis that the Arizona Corporation Commission lacks jurisdiction over this transaction, and therefore, Staff lacks jurisdiction to make this request. Notwithstanding the foregoing, Qwest responds as follows:

None of the terms of the current agreements between Qwest Dex and Qwest Corporation will change or be replaced immediately as a result of the sale. All of the current Agreements between Qwest Dex and Qwest Corporation will remain in effect until the sale closes, at which time they will be replaced with new agreements between Qwest Corporation and Buyer (e.g., the Publishing Agreement [Exhibit D to the Purchase Agreements], the Directory List License Agreement [Exhibit E to the Purchase Agreements], etc.), as appropriate or necessary.

Respondent: Ann Koehler-Christensen, Qwest Manager

Arizona
T-01051B-02-0666
STF 01-013

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 013

Will any of the terms of the current agreements between Qwest Dex and Qwest Corporation (and/or Qwest Services) that are related to the white and yellow pages change or be replaced at some future date as a result of the sale of the assets? If so, identify and describe those provisions of existing agreements that will change at some future date and identify that date.

RESPONSE:

Qwest objects to this data request on the basis that the Arizona Corporation Commission lacks jurisdiction over this transaction, and therefore, Staff lacks jurisdiction to make this request. Notwithstanding the foregoing, Qwest responds as follows:

See Qwest's Response to Arizona ACC Set 1, Data Request No. 012.

Respondent: Ann Koehler-Christensen, Qwest Manager

Arizona
T-01051B-02-0666
STF 01-014

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 014

Identify and describe any existing agreements previously mentioned that the parties have agreed will continue until their current expiration dates?

RESPONSE:

Qwest objects to this data request on the basis that the Arizona Corporation Commission lacks jurisdiction over this transaction, and therefore, Staff lacks jurisdiction to make this request. Notwithstanding the foregoing, Qwest responds as follows:

See Qwest's Response to Arizona ACC Set 1, Data Request No. 012.

Respondent: Ann Koehler-Christensen, Qwest Manager

Arizona
T-01051B-02-0666
STF 01-033

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 033

Will the agreements with CLECs in Arizona continue in effect after the sale and will the net revenues from these agreements continue to accrue to Qwest Corporation or any other Qwest communications International affiliate division or subsidiary?

RESPONSE:

Qwest objects to this data request on the basis that the Arizona Corporation Commission lacks jurisdiction over this transaction, and therefore, Staff lacks jurisdiction to make this request. Notwithstanding the foregoing, Qwest responds as follows:

These agreements are between Qwest Dex and the CLECs or ILECs, and will be assumed by the Buyer. These revenues have never been revenues of Qwest Corporation. They are now revenues of Qwest Dex and will be revenues of the Buyer following the sale.

Respondent: Ann Koehler-Christensen, Qwest Manager

Arizona
T-01051B-02-0666
STF 01-040

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 040

Indicate whether CLECs will obtain subscriber list information and other wholesale services from 'DEX Holdings or Buyer on the same terms and conditions as Qwest Corporation? If not, please identify any differences in rates, terms and conditions applicable to Qwest Corporation and the CLECs?

RESPONSE:

Qwest objects to this data request on the basis that the Arizona Corporation Commission lacks jurisdiction over this transaction, and therefore, Staff lacks jurisdiction to make this request. Notwithstanding the foregoing, Qwest responds as follows:

CLECs do not obtain subscriber list information or other wholesale services from Qwest Dex. Qwest Dex and other publishers obtain subscriber list information from Qwest Corporation and from various CLECs and ILECs. It is at the discretion of each CLEC and ILEC whether to provide their subscriber list information to publishers themselves or through Qwest Corporation. This will continue in the same manner following the sale.

Respondent: Ann Koehler-Christensen, Qwest Manager

Arizona
T-01051B-02-0666
STF 01-045

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 045

Will DEX Holdings or Buyer obtain ownership and control of the underlying databases used to provide white and yellow page listings.

RESPONSE:

Qwest objects to this data request on the basis that the Arizona Corporation Commission lacks jurisdiction over this transaction, and therefore, Staff lacks jurisdiction to make this request. Notwithstanding the foregoing, Qwest responds as follows:

Qwest will continue ownership and control of the Subscriber List databases. Current databases created and maintained by Qwest Dex will be owned and controlled by the Buyer following the sale.

Respondent: Ann Koehler-Christensen, Qwest Manager

Arizona
T-01051B-02-0666
STF 01-053

INTERVENOR: Arizona Corporation Commission Staff
REQUEST NO: 053

How will the provision of white and yellow page listings to end-user customers be affected by the sale of Qwest Dex to DEX Holdings or Buyer? Identify any differences in the provision of services to end-user customers after the sale or whether the sale will be transparent to the end-user customer.

RESPONSE:

Qwest objects to this data request on the basis that the Arizona Corporation Commission lacks jurisdiction over this transaction, and therefore, Staff lacks jurisdiction to make this request. Notwithstanding the foregoing, Qwest responds as follows:

The sale will be transparent to the end-users of the directories.

Respondent: Ann Koehler-Christensen, Qwest Manager

Arizona
T-01051B-02-0666
STF 2-102S1

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 102S1

Please explain with specificity Qwest Corporation's "Publishing Obligation" in the State of Arizona, for purposes of Sections 3.1 and 3.13 of the Exhibit D Publishing Agreement and provide complete copies of all documents provided to the purchaser of Qwest Dex to define the Publishing Obligation in the State. In addition, please describe how Qwest intends to monitor and enforce compliance with this Publishing Obligation to ensure no adverse impact upon intrastate telephone subscribers.

RESPONSE:

Qwest is in the process of gathering the information necessary to respond to this request, and will supplement its response when it completes its review and analysis of this information.

Respondent: Qwest Legal Department

SUPPLEMENTAL RESPONSE - 11/27/2002

No Arizona statute or Commission rule defines Qwest's Publishing Obligation. Under the Telecommunications Act of 1996 and state law, Qwest has the obligation to make directory listings available to directory publishers. As a matter of tariff, customers who purchase certain classes of service from Qwest are entitled to a directory listing as part of the service. See Section 5.7.1.C.1 of the Exchange and Network Services Price Cap Tariff.

The Publishing Agreement defines the legal obligations of the Buyer to assist Qwest in fulfilling its obligations. The Publishing Agreement contains a variety of rights and remedies by which Qwest can enforce the obligations in the Agreement.

Among those rights and remedies are the following: (a) under Section 6.2(b), if the Publisher "breaches this Agreement in a manner that results in a material and continuing failure to discharge the Publishing Obligation with respect to any Primary Directory" Qwest may terminate the Agreement and perform the regulatory obligations itself-likewise, if there has been a "material and continuing failure to discharge" the Publisher's duties associated with directories representing 20% of the Qwest Corporation subscribers in the service areas, the entire agreement may be terminated by QC (Section 6.2(c)); (b) QC has the right to terminate if there is a material default (Section 6.2(a)); and (c) the Agreement provides for substantial liquidated damages associated with a failure of the publisher to perform its obligations under the Publishing Agreement (Section 6.5).

Qwest Corporation's Listing Services Group will interface with the publisher to assure that the publishing obligations are met.

Qwest is in the process of determining whether any documents were provided to Buyer relating to Qwest's publishing obligation. Qwest will supplement its response as appropriate.

Respondent: Qwest Legal Department

Arizona
T-01051B-02-0666
STF 2-103

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 103

Sections 9.6 of the Exhibit D Publishing Agreement appears to provide for the assumption of all of purchaser's rights and obligations under the Publishing Agreement upon any future "change in control" of the purchaser, without the prior written consent of Qwest Corporation. Please confirm this understanding and explain how regulatory concerns regarding continuous performance of the Publishing Obligation can be satisfied if unknown future successors to the current purchaser are free to assume the role of purchaser without the approval of Qwest.

RESPONSE:

Section 9.6 of the Publishing Agreement states that a "Change of Control" is not an assignment of the Agreement. Thus, the provision that states that no party may assign the Publishing Agreement without the prior consent of the other party does not apply in the case of a change of control.

However, Section 9.6 makes it clear that if "the relevant Party is no longer directly bound as a Party to this Agreement (e.g., because the Change of Control is a sale or transfer of assets or is the result of a transaction pursuant to which the successor, surviving or acquiring entity does not automatically succeed to the obligations of such Party by operation of law), the successor, surviving or acquiring entity is required to agree in writing (whether as part of the acquisition agreement that provides for the other Party to be a third party beneficiary or in a separate agreement) to assume this Agreement" (Section 9.6(ii)).

Thus, a responsible party will continue to be legally bound to meet the obligations imposed upon the Publisher under the Publishing Agreement (See Article 3: Rights and Obligations of Publisher). As a consequence, continuous performance is assured by a binding and enforceable agreement that contains a variety of rights and remedies available to Qwest.

Because the Buyer in a change of control situation must assume the obligations under the Publishing Agreement, all rights and remedies held by Qwest under the Publishing Agreement would be available to enforce compliance with the publishing obligations of the Agreement. Qwest will exercise its rights and remedies under the Agreement, as necessary, to assure that all publishing obligations are met.

Respondent: Qwest Legal Department

Arizona
T-01051B-02-0666
STF 2-123S1

INTERVENOR: Arizona Corporation Commission Staff

REQUEST NO: 123S1

Does Qwest Dex include only the listings for telephone customers that must be included pursuant to regulatory obligations, or are any additional listings included in either the white or yellow pages in Arizona, beyond regulatory obligations, in order to publish a more complete directory? Please explain your response with examples of any typical instances where listings are included that are not required by regulators and describe why Dex includes such additional listings.

RESPONSE:

Qwest is in the process of gathering the information necessary to respond to this request, and will supplement its response when it completes its review and analysis of this information.

Respondent: Qwest Legal Department

SUPPLEMENTAL RESPONSE - 11/27/2002:

Dex is in the business of selling directory advertising. Its directories are scoped on the basis of calling and shopping patterns, in order to maximize advertising sales, not on the basis of service areas of particular local exchange carriers. In Arizona Dex has publishing agreements with each of the following local exchange carriers:

Qwest Corporation
Arizona Telephone Company (TDS Telecom)
Copper Valley Telephone Company
Midvale Telephone Company
Table Top Telephone Company
Tohono O'odham Utility Authority
Valley Telephone Company
Winterhaven Telephone Company
Alegiance Telecom
AT&T
e.spire Communications
MCI/Worldcom
Now Communications
Sprint
Stirling International, d.b.a. RECONEX
Teligent, Inc.
Time Warner

As a result of the publishing agreements with these carriers Dex has a contractual obligation to include these carriers' listings in Dex directories. The terms of the publishing agreements also call for Dex to meet these carriers' regulatory obligations with respect to publishing directories. Through Dex's publishing agreement with Qwest, Dex also has an obligation to publish the listings of other CLECs that QC provides to Dex with its own white pages listings.

Without any regulatory or contractual obligations, Dex also has elected to include listings of Accipiter Communications, Frontier - A Citizens Communications Company, Gila River Telecommunications, San Carlos Apache Utility, Southwestern Telephone Company (TDS Telecom), Sprint/Centel of Nevada, and Verizon in its Arizona directories. Dex has listing agreements with the carriers, rather than publishing agreements. This means that Dex and these carriers have not elected to enter into a publishing agreement, but that Dex can include the listings of these carriers at Dex's discretion, although Dex has no obligation to the carriers to include their listings or to deliver directories to their customers. Dex has no contractual or regulatory obligations to publish, much less include any specific listings, in its secondary directories.

Respondent: Ann Koehler-Christensen, Qwest Manager